## AMENDED IN ASSEMBLY APRIL 15, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

## ASSEMBLY BILL

No. 776

## **Introduced by Assembly Member Cooper**

February 25, 2015

An act to amend Section 25350 of add Section 23399.65 to the Business and Professions Code, relating to alcoholic beverages.

## LEGISLATIVE COUNSEL'S DIGEST

AB 776, as amended, Cooper. Alcoholic beverages: seizure. Alcoholic beverage control: beer manufacturer: brewery event.

The Alcoholic Beverage Control Act authorizes a licensed winegrower to apply to the Department of Alcoholic Beverage Control for a wine sales event permit that allows the sale of bottled wine produced by that winegrower at specified events approved by the department. The act prohibits a wine sales event permit from being used more than 2 times a month at a particular location, and requires the winegrower to pay a fee of \$50 for the permit. The act provides that moneys collected as fees pursuant to the act are to be deposited in the Alcohol Beverage Control Fund. These moneys are generally allocated to the Department of Alcoholic Beverage Control upon appropriation by the Legislature.

This bill would authorize a licensed beer manufacturer to apply to the department for a brewery event permit that allows the sale of beer produced by that beer manufacturer for consumption on property contiguous and adjacent to the licensed premises of the manufacturer, as provided. The bill would authorize a fee for a brewery event permit of \$110 and an event authorization fee of not more than \$25 for each approved event. The bill would allow up to 4 authorized events each calendar year.

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Existing law establishes the Department of Alcoholic Beverage Control within the Business, Consumer Services, and Housing Agency to administer and enforce the Alcoholic Beverage Control Act. Existing law authorizes the department to seize alcoholic beverages under specified circumstances. Existing law provides that the total retail value of alcoholic beverages subject to seizure may not exceed \$100.

This bill would eliminate the provision that limits the retail value of the alcoholic beverages that are subject to seizure.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 23399.65 is added to the Business and 2 Professions Code, to read:

23399.65. (a) A licensed beer manufacturer may apply to the department for a brewery event permit. A brewery event permit shall authorize the sale of beer produced by the licensee pursuant to Section 23357 for consumption on property contiguous and adjacent to the licensed premises owned or under the control of the licensee. The property shall be secured and controlled by the licensee.

- (b) (1) The fee for a brewery event permit for a licensed beer manufacturer shall be one hundred ten dollars (\$110) for a permit issued during the 2016 calendar year, and for a permit issued during the years thereafter, the annual fee shall be calculated pursuant to subdivisions (b) and (c) of Section 23320. The permit may be renewed annually at the same time as the licensee's license. A brewery event permit shall be transferable as a part of the license.
- (2) For each brewery event, consent for the sale of beer pursuant to subdivision (a) at the brewery event shall be first obtained by the licensee from the department in the form of an event authorization issued by the department. An event authorization shall be subject to approval by the appropriate local law enforcement agency. The fee for each event authorization shall not to exceed twenty-five dollars (\$25). The number of events authorized by a brewery event permit shall not exceed 4 in any calendar year.

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(3) All money collected as fees pursuant to this subdivision shall be deposited in the Alcohol Beverage Control Fund, as described in Section 25761, for allocation, upon appropriation by the Legislature, as provided in subdivision (d) of that section.

- (c) At all approved events, the licensee may exercise only those privileges authorized by the licensee's license and shall comply with all provisions of the act pertaining to the conduct of on-sale premises and violation of those provisions may be grounds for suspension or revocation of the licensee's license or permit, or both, as though the violation occurred on the licensed premises.
- (d) The department may adopt any regulations it determines to be necessary for the administration of this section.

SECTION 1. Section 25350 of the Business and Professions Code is amended to read:

25350. The department may seize the following alcoholic beverages:

- (a) Alcoholic beverages manufactured or produced in this state by any person other than licensed manufacturer or wine grower, regardless of where found.
- (b) Beer and wine upon the sale of which the excise tax imposed by Part 14 (commencing with Section 32001) of Division 2 of the Revenue and Taxation Code has not been paid, regardless of where found.
- (c) Distilled spirits except (1) distilled spirits located upon premises for which licenses authorizing the sale of the distilled spirits have been issued; (2) distilled spirits consigned to and in the course of transportation to a licensee holding licenses authorizing the sale of the distilled spirits or for delivery without this state; (3) distilled spirits upon the sale of which the excise tax imposed by Part 14 (commencing with Section 32001) of Division 2 of the Revenue and Taxation Code has been paid; (4) alcohol or distilled spirits in the possession of a person who has lawfully purchased it for use in the trades, professions, or industries and not for beverage use.
- (d) Any alcoholic beverage possessed, kept, stored, or owned with the intent to sell it without a license in violation of this division.
- (e) Notwithstanding any other provision of this section, a seizure of any alcoholic beverage acquired, exchanged, purchased, sold, delivered, or possessed in violation of Sections 23104.2, 23104.3,

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- 1 23394, 23402, or Chapter 12 (commencing with Section 25000)
- 2 shall be limited to the actual package or case of alcoholic beverage
- 3 acquired, exchanged, purchased, sold, delivered, or possessed in
- 4 violation of the foregoing provisions.